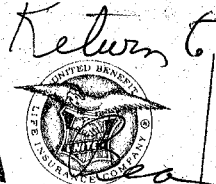


**Mutual  
OF OMAHA**



**United  
OF OMAHA**



HOME OFFICE... OMAHA, NEBRASKA

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April 26, 1965

*To Ben  
4/28*

*Return to  
for filing*

[Redacted] President  
Government Employees Health Association  
P. O. Box 463  
Washington, D. C.

STAT

Re: Group Policy - GMG-1799

STAT

Dear [Redacted]

During our recent meeting with [Redacted] we discussed in detail, the proposal we submitted for benefit changes under Policy GMG-1799. It was agreed that the following changes in the High Option to be effective December 31, 1965, would be submitted to the GEHA Board of Directors for their approval:

STAT

1. Increase the hospital room and board benefit from its present \$25 for 90 days to \$30 for 90 days for any one period of hospital confinement. The additional brochure rates for this coverage are 22 cents for a single employee and 53 cents for an employee and family.
2. Increase the hospital miscellaneous benefits from \$202.50 plus 80 per cent of the next \$5,000 to payment in full for 90 days for any one period of hospital confinement. The brochure rates for this coverage would be increased five cents for a single employee and 13 cents for an employee and family.
3. Add to the contract and unscheduled x-ray and laboratory expense benefit of \$75 for each calendar year.

-2-

The wording for this benefit would read as follows:  
"If a protected person or an eligible dependent while insured under this policy and not confined as a resident hospital patient shall, because of accidental bodily injury or sickness, require x-ray or laboratory examinations, the Company will pay for the expense actually incurred for such examinations provided they are performed by or under the supervision of a legally qualified doctor of medicine but not to exceed in the aggregate the benefit limit specified in the the Plan of Insurance". The additional brochure rate for this benefit is 17 cents for a single employee and 41 cents for an employee and family.

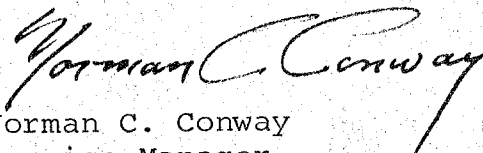
4. Add an emergency accident benefit of \$50 each calendar year for treatment provided in a doctor's office within 24 hours after an accident. This coverage would pay actual charges for emergency treatment (other than surgery) by a doctor in his office within 24 hours after an accident, but not exceed \$50 in any one calendar year. The rates for this coverage are .03 single and .05 family.
5. Add a doctor's home and office call benefit to the contract beginning on the fourth call for accident and sickness and payable at \$4 for a home call and \$3 for an office call, with a maximum of 31 calls each calendar year. This benefit is payable to a protected person or an eligible dependent while insured under this policy who shall, because of accidental bodily injuries or sicknesses, require medical attendance by a legally qualified doctor of medicine. The Company will pay for the expense actually incurred for such medical attendance but not to exceed one call per day nor to exceed the applicable maximum payment per call and not to exceed in the aggregate the maximum medical benefit for any one calendar year. The additional brochure premium for this benefit is 10 cents for a single employee and 34 cents for an employee and dependents.

-3-

6. Increase the major maximum from \$20,000 to \$30,000. The additional brochure premium for this benefit is one cent for single employee and four cents for an employee and family.
7. Increase the maternity benefits from the present \$16 a day with a maximum of eight days to \$30 a day with a maximum of 90 days and full payment of the hospital miscellaneous benefits for 90 days. The additional brochure premium for this benefit is eight cents for a single employee and 86 cents for an employee and family.

The accumulation of all of the above benefits will amount to an increase in the High Option bi-weekly brochure rates of 69 cents for a single employee and \$2.41 for an employee and family.

Sincerely,

  
Norman C. Conway  
Service Manager  
Group Division

STAT

19 JUL 1965

NOTE TO :



In preparation for our Board meeting, I thought we could profit from the following information:

- a. Using Conway's letter of 26 April 1965 as a guide, I have prepared a schedule of possible improvements so that each Board member will know what the various numbers and groupings mean. A copy of this is attached for your information. Brenda will run off enough of these on osalid for distribution to the members at the Board meeting.
- b. We will also need the specific dollar and cents costing of the various benefits. Attached is a chart we could use for that purpose. If you will fill in the blanks and send it back to Brenda, she can run some of these off for distribution at the Board meeting.

STAT



C/BSD

High Option - BiWeekly Family

Proposed Benefits	Present Cost of Assoc. Ben. Plan	Current Cost of 1% Admin.	Current Brochure Rate	Cost of Proposed Benefits	Cost of 2% Admin.	Proposed Brochure Rate	
Benefit Nos. 1, 2, 3, 4, 6, 7							
2, 3, 6, 7							
1, 2, 3, 6, 7							

High Option - BiWeekly Single

Benefit Nos. 1, 2, 3, 4, 6, 7							
2, 3, 6, 7							
1, 2, 3, 6, 7							

## SCHEDULE OF POSSIBLE IMPROVEMENTS

- |   |                               |
|---|-------------------------------|
|   | 5 F                           |
| 1. Increase the hospital room and board benefit from its present \$25 for 90 days to \$30 for 90 days for any one period of hospital confinement.   | 22 53                         |
| 2. Increase the hospital miscellaneous benefits from \$202.50 plus 80 per cent of the next \$5,000 to payment in full for 90 days for any one period of hospital confinement.   | 05 13                         |
| 3. Add to the contract and unscheduled x-ray and laboratory expenses benefit of \$75 for each calendar year.  | 17 41                         |
| 4. <del>Add an emergency accident benefit of \$50 each calendar year for treatment provided in a doctor's office within 24 hours after an accident. This coverage would pay actual charges for emergency treatment (other than surgery) by a doctor in his office within 24 hours after an accident but not exceed \$50 in any one calendar year.</del> | <del>03 05</del>              |
| 6. Increase the major maximum from \$20,000 to \$30,000.  | 01 07                         |
| 7. Increase the maternity benefits from the present \$16 a day with a maximum of eight days to \$20 a day.  | <del>08 86</del><br>(02) (13) |

High Option - BiWeekly Family

Proposed Benefits	Present Cost of Assoc. Ben. Plan	Current Cost of 1% Admin.	Current Brochure Rate	Cost of Proposed Benefits	Cost of 2% Admin.	Proposed Brochure Rate
Benefit Nos. 3, 4, 6, 7	5.32 \$5,316.3	.05 \$0.0537	5.37 \$5.37	2.02 26 241	.15	\$7.49
3, 6, 7	5.32	.05	5.37	1.34	.13	\$6.79
2, 3, 6, 7	5.32	.05	5.37	1.97	.15	\$7.44

High Option - BiWeekly Single

Benefit Nos.	Present Cost of Assoc. Ben. Plan	Current Cost of 1% Admin.	Current Brochure Rate	Cost of Proposed Benefits	Cost of 2% Admin.	Proposed Brochure Rate
2, 3, 4, 6, 7	\$1.73	\$.02	1.75	.56 66 69	.05	\$2.34
3, 6, 7	1.73	.02	1.75	.31	.04	\$2.08
2, 3, 6, 7	1.73	.02	1.75	.53	.05	\$2.31

How about eliminating the low option.